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## GENERAL

1. US to remain firm on Palestine stand--In reply to the suggestion of the US delegation to the UN that stronger Security Council action may be necessary on the Palestine problem; the Department of State has declared that the US feels it must abide by: (a) its commitments under the UN Charter; and (b) its previous statements advocating Security Council action under Chapter VII if such action becomes necessary to prevent further hostilities in Palestine. The Department expresses the desire of the US not to have to play the role of protagonist in the matter nor to have to speak first.
2. US suggests that Soviet-Iranian data go to UN--The Department of State has suggested to the US delegation to the UN that the present may be an appropriate time for Iran to communicate to the Security Council, for information only, a record of recent Soviet-Iranian relations. The Department explains that such a communication, supported by a US statement, would: (a) refute Soviet claims that the USSR could legitimately send troops into Iran under the 1921 Soviet-Iranian Treaty; and (b) indicate to the USSR and the Middle East nations that US support of western European union does not imply a decrease in US support for other areas.

## FAR EAST

3. CHINA: Possible resignation of Chiang Kai-shek--US Consul General Chubb in Peiping has learned [redacted] that Chiang Kai-shek is considering resigning. Source simultaneously reported that the Nationalist military position is very critical in Manchuria where eight divisions are now refusing to advance (apparently because of the reluctance of their commanders).

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(CIA Comment: Although no other indications that Chiang Kai-shek is wavering in his determination to continue the fight against the Chinese Communists have been received, CIA believes this report is possibly true.)

Shanghai mayor fears Government collapse--US Consul General Cabot transmits the expressed fear of Mayor Wu of Shanghai that the National Government will collapse by the end of November unless substantial help is received. Mayor Wu told Cabot that Chiang Kai-shek has lost his sense of realism and that 99% of the people are now against the Government.

(CIA Comment: Mayor Wu's anxiety reflects the panic spreading among Nationalist officials who are unequivocally committed to Chiang Kai-shek but who are now genuinely frightened regarding his prospect of emerging successfully from the present crisis.)

4. KOREA: Korean mutiny believed under control--In a detailed account of the recent disorders in Korea, General MacArthur's headquarters in Tokyo reports that the revolt was begun by 40 enlisted men of a constabulary regiment who were joined by an undetermined number of civilians. Headquarters reports that there has been no other evidence of disaffection among constabulary units. The report concludes that, although there are indications of Communist connection with the revolt, neither US nor Korean authorities are alarmed by the situation.

(CIA Comment: CIA believes that the Communist-directed mutiny was designed to bolster a forthcoming Soviet contention in the UN that the US has been forced to retain its troops in Korea in order to protect an "anti-democratic" regime. CIA expects similar uprisings elsewhere in Korea and anticipates that the Korean Government will exaggerate them in order to justify its use of extreme measures against its political opposition.)

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## THE AMERICAS

### 5. BRAZIL: Argentine aggression feared-

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conviction that, if there is war between the US and the USSR, Argentina will take aggressive action against Bolivia, Paraguay, and Uruguay, or possibly all three.

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explained that Brazil would "feel compelled" to go to war in case of an Argentine attack on Paraguay or Uruguay. He therefore urged that all sales of arms to Argentina cease and that the US assure Brazil of full support under the terms of existing defense pacts.

(CIA Comment: CIA does not believe that Argentina plans any armed aggression against its neighbors. The has probably exaggerated Argentine intentions in an attempt to forestall US assistance to Argentina.)

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